

SOUTHERN LATEX LIMITED

26th ANNUAL REPORT

2014 – 2015

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the Twenty Sixth Annual Report on the working of the Company along with the audited Balance Sheet and Profit Loss Account for the year ended 31st March 2015.

FINANCIAL RESULTS

(in Rs.)

Particulars	2014-2015	2013-2014
Total Income	83,15,500.00	1,22,68,310.00
Less : Depreciation	26,87,340.00	9,04,386.00
Profit after depreciation but before tax (PBT)	13,84,916.00	3,87,912.00
Less : Taxes	2,63,896.00	73,779.00
Net profit / (loss) for the period	11,21,020.00	3,13,413.00
No. of Shares	7359200	7359200
EPS	0.15	0.04
Proposed Dividend	0.00	0.00
Dividend tax	0.00	0.00
Balance of Profit Carried to B/S	11,21,020.00	3,13,413.00

DIVIDEND

No dividend has been recommended for the year.

TRANSFER TO RESERVES IN TERMS OF SECTION 134 (3) (J) OF THE COMPANIES ACT, 2013

The board does not proposed any amount to carry to any specific reserves.

OPERATIONS as STATE OF COMPANY'S AFFAIRS

During the year under review, your company had made a turnover of Rs.83.15 lakhs and resulting Net profit of Rs.11.21 lakhs as compared with the previous year as Rs.122.68 lakhs and Rs.3.13 lakhs respectively.

CHANGES IN NATURE OF BUSINESS

There is no significant changes had been made in the nature of the company during the financial year

MATERIAL CHANGES AND COMMITMENTS OCCURRED BETWEEN THE DATE OF BALANCE SHEET AND THE DATE OF AUDIT REPORT

No significant material changes and commitments have occurred between the date of the balance sheet and the date of the audit report

SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS/COURTS/TRIBUNALS

There are no significant and material orders passed by Regulators/Court/Tribunals against the company.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has in place proper and adequate internal control systems commensurate with the nature of its business, size and complexity of its operations. Internal control systems comprising of policies and procedures are designed to ensure liability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations and that all assets and resources are acquired & economically used.

FUTURE PLAN

The Company is planning to start new business in highly potential market for which it has augmented efforts with core team.

Subsidiaries / Joint Ventures

There are no subsidiaries and Joint venture Companies.

CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION, AND FOREIGN EXCHANGE EARNINGS AND OUTGO

A. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

Energy conservation is being given top priority and the Company monitors the energy costs and reviews the consumption of energy on a regular basis.

B. FOREIGN EXCHANGE EARNING AND OUTGO

There was no foreign exchange expenses and income during the year.

MANAGERIAL REMUNERATION

MANAGERIAL REMUNERATION

1. Details of Managerial Remuneration required to be Disclosed in Boards Report as per Section 197(2) of the Companies Act 2013 and read with Rule 5(1) of the Companies Appointment and Remuneration of Managerial Personnel) Rules, 2014:-

Name of the Director	Designation	Remuneration Paid in FY 2014-2015 (in Rs)	Remuneration Paid in FY 2013-2014	% increase of remuneration in 2015 as compared to 2014 previous year	Ratio/Times per Median of employee remuneration
V K Balaji	Independent Director	NIL	NIL	N A	NA
N Neelakanda Pillai	Managing Director	NIL	NIL	NA	NA
Muralikrishnan	Independent Director	NIL	NIL	NA	NA
Santhi	Independent Director	NIL	NIL	NA	NA
*G Manivannan	Independent Director	NIL	NIL	NA	NA
**K Karthik	Company Secretary	20,000	NIL	NIL	NIL
***G Guruswami Raj	Company Secretary	3,62,500	NIL	NIL	NIL

*On 31st May 2014 Mr. G Manivannan(DIN 02611543) Director of the Company had resigned from the Board

** Mr. K Karthik resigned on 29th April 2014 from the post of Company Secretary of the Company.

***Mr. G Guruswami Raj was appointed as Company Secretary on 10th November 2014.

There is no employee who is withdrawing remuneration more than 60 Lacs per annum, more than 5 Lacs per month and more than remuneration of Managing Director or Whole Time Director

- No of permanent employees on the rolls as on 31st March 2015 is 5.
- The board confirms that the remunerations paid to the directors is as per the remuneration policy.

2. STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT 2013 READ WITH RULE 5(2) And RULE 5 (3) of COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

C. Employed throughout the year and in receipt of remuneration in aggregate of not less than Rs. 60 Lakhs per annum

---- None ----

B. for part of the year and in receipt of remuneration of more than Rs. 5 Lakhs per month

---- None ----

C. If employed throughout the FY or part thereof, was is in receipt of remuneration in excess of that drawn by the Managing Director or WTD or Manager and holds himself or along with his spouse and dependent children, not less than 2% of equity shares of the Company.

---- None ----

RISK MANAGEMENT POLICY

The risk management policy of the company rectifies the risk and controlling mitigating factors. The risk as identified by the company does not threaten the existence of the company

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors confirm:

1. That in the preparation of Annual Accounts for the year ending 31st March 2015, the applicable Accounting Standards have been followed and no material departures have been made from the same.
2. That they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company for that period.

3. That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company preventing and detecting fraud and other irregularities.

4. That they have prepared the annual accounts on the 'going concern' basis

5. The Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively

6. The Directors had devised proper system to ensure that systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively

DETAILS OF MEETINGS OF THE BOARD OF DIRECTORS & SHAREHOLDERS

The Board met 9 (Nine times) on the following dates during the financial year 2014 -15

Date of Board meeting	Main Agenda discussed
29 th April 2014	Acceptance of Resignation of Mr. Karthik, from the post of Company Secretary of the Company
16 th May 2014	Adoption of Audited Financial Results for the year ended 31 st March 2015
31 st May 2014	Resignation of Mr. G Manivannan from Directorship of the Company
08 th July 2014	Unaudited quarterly Results adopted for the quarter ended 30 th June 2014
09 th October 2014	Unaudited quarterly Results adopted for the quarter ended 30 th Sep 2014
10 th Nov 2014	Adoption of AGM Notice Appointment of Mr. Guruswami as Company Secretary of the company
18 th Dec 2014	25 th Annual General Meeting held & Board met and discussed the review of AGM transactions

12 th Feb 2015	Unaudited quarterly Results adopted for the quarter ended 31 st Dec 2014
31 st March 2015	Appointment of Ms. Santhi as Independent Women Director

CORPORATE GOVERNANCE:

A report on Corporate Governance, pursuant to clause 49, is annexed hereto and forms part of this report. A certificate from M/s. Kannan & Alamelu, Chartered Accountants, Statutory Auditors of the Company regarding compliance of conditions of corporate governance stipulated by the stock exchanges is annexed to this report.

ANNUAL RETURN

An extract of Annual Return as on 31 March 2015 pursuant to Section 92 (3) of the Companies Act, 2013 and forming part of the report is attached separately as **Annexure-A**

CODE OF CONDUCT

The Company has adopted a code of conduct for the Board of Directors and senior management of the Company and all of them have affirmed compliance of the same.

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

In accordance with the listing agreement, the Management Discussion and Analysis Report is annexed hereto and forms part of this report.

AUDIT COMMITTEE

Your company has complied with the provisions of Section 177 of the Companies Act, 2013 as to constitution of Audit Committee with Mr. MuraliKrishnan and Mr. N. Neelakanda Pillai are being members of the said committee. Mr. V K Balaji being the Chairman of the committee. The committee met four times during the year. Ms..Santhi was inducted into the committee on 31st March 2015 after her appointment in the board.

PUBLIC DEPOSIT

The Company has not accepted any deposit from the public during the year under review.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT 2013

The Company has not made any loans and Investments and has not given any guarantees as per the provisions of section 186 of the Companies Act, 2013 during the financial year:-

S.No	Loan/Guarantee/ Investment	Date of Transaction	Name of Company	Amount
NIL	NIL	NIL	NIL	NIL

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES.

All Contracts/arrangements/transactions entered by the company during the financial year 2014-15 with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company has not entered into any contracts/arrangements/transactions with related parties which would be considered material. Details given in the **Annexure-E**

DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES.

The Companies Act, 2015 lays down a mandatory provision wherein every company having

- Net worth of rupees five hundred crore or more, or
- Turnover of rupees one thousand crore or more or
- Net profit of rupees five crore or more

during any financial year, shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more directors, out of which at least one director shall be an independent director. As the said provisions are not applicable to the company, it has not developed and implemented any Corporate Social Responsibility initiatives.

FORMAL ANNUAL EVALUATION OF PERFORMANCE OF THE BOARD AND ITS COMMITTEES

The manner in which the formal evaluation of the members of both the board and various committees constituted by the company has been covered in the “**Corporate Governance Report**” to this report.

The following policies relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 of the company are attached for

- (a) Policy relating to selection of directors appointment. -**Annexure -C**

**(B) Remuneration Policy for directors, Key Managerial Personnel and other employees.-
Annexure-D**

LISTING

The Shares of your company is presently listed in the Bombay Stock Exchange (BSE).

DIRECTORS

a. Resignation:

On 31st May 2014 Mr. G Manivannan(DIN 02611543) Director of the Company had resigned from the Board.

b. Appointment

On 31st March 2015, Ms. Santhi(DIN 07145742) was inducted into the Board as Additional Director. Her candidature is being proposed by a member for the office of Director as Independent Women Director, which will be considered by the shareholders at the ensuing Annual General Meeting of the Company.

Pursuant to the provisions of Section 149 (6) of the Act, Mr.V.K.Balaji (DIN No 00084412), Mr. V. Murali Krishnan(DIN No. 05312102) and Ms. Santhi(DIN 07145742) the Independent Directors of the Company have submitted their declaration that each of them meets the criteria of independence as provided in Section 149(6) of the Act and there has been no change in the circumstances which may affect their status as independent director during the year 2014-2015.

AUDITORS

The Statutory Auditor M/s. Kannan & Alamelu was appointed at the 25th Annual General Meeting held on 19th December 2014 as Statutory Auditor for the period of 4 years which will be ratified by the Members at the ensuing Annual General Meeting.

The Board has appointed Mr.P Thirumalaikumar, Practicing Company Secretary to conduct Secretarial Audit for the financial year 2014-15. The Secretarial Audit report for the financial year ended March 31, 2015 is annexed herewith in **Annexure-B**.

AUDITORS REPORT

Auditors had not made any qualification or did not make any adverse remark in their report regarding financial statements. Therefore, there is no need for any clarification or any comment on Auditors report.

The observations mentioned in the Secretarial Audit Report by the Secretarial Auditor are self explanatory.

SHARE CAPITAL

During the financial year, the Company had not issued any Equity Shares with Differential rights, any Sweat Equity Shares and any Employee Stock Options.

ENVIRONMENT COMPLIANCE:

India is the seventh largest country in the world by geographical area. While progress in the environmental front is being made, India still faces some major challenges. Despite highly evolved environmental laws and regulations in some areas, many environmental practices such as regulation of air pollutants using model seen in western countries are still at a very rudimentary stage in India. Increased environmental regulations will likely become a key area of concern in the near future.

The increasing desire of Indian companies to meet world class standards has caused established companies in India to take on sustainable initiatives as a means of improving their global brand and reputation and the environmental sector is expected to be at the forefront of India's evolving story in the coming years.

The Company has already considered the prerequisites of environment compliance long way back and is doing new initiative every year. Some of the major initiatives of regular basis are:

Slogan of the Company – “One planet, one earth, one nature which propagates Save the earth for better tomorrow”.

By regular training for workers and staff to prevent accident related to mechanical, electrical, chemical, physiological and psychological safety the Company has made Zero incidents as acceptable standard.

The Company has started project to conserve water and energy, minimize generation of waste, minimize carbon foot print, generate pollution prevention awareness throughout the plant and to achieve 100 percent legal compliance.

GENERAL

The Management is grateful to the shareholders, valued customers, bankers and vendors for the continued support and co-operation.

The Director also wishes to place on record their appreciation of the support and co-operation of all employees to enable the company to achieve its growth plans.

On behalf of Board of Directors

N. Neelakanda Pillai
Managing Director

MuraliKrishnan
Director

DATE : 27.11.2015.
PLACE: CHENNAI

Annexure - A
Form No. MGT-9

EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

1	CIN	L25199TN1989PLC017137
2	Registration Date	29 th March 1989
3	Name of the Company	Southern Latex Limited
4	Category / Sub-Category of the Company	Public Company, Limited by Shares
5	Address of the Registered office and Contact Details	B-11/W, SIPCOT Industrial Complex, Gummidipoondi, Tiruvalluvar District- 601201. Phone : 04119 322334, Fax: +91-44 2440 5166 website: www.southernlatexlimited.com, email id: southernlatexltd@yahoo.com
6	Whether Listed Company	Yes
7	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Cameo Corporate Services Limited "Subramanian Building" No. 1, Club House Road, Chennai- 600002 Phone: +91 44 – 2846 0390-94 Fax: +91 44 – 2846 0129 E-mail: cameo@cameoindia.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl.No	Name & Description of the Main product	NIC code of the Product	% to the total Turnover of the Company
1.	Manufacturing of Rubberised Coir Products	94042910	49%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl.No	Name & Address of the Company	CIN /GLN	Holding/ Subsidiary/ Associate company	% of Shares held	Applicable Section
	NIL	NIL	NA		

IV.SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding as on 31st March 2015

Name of the Company		: SOUTHERN LATEX LIMITED							
Face Value		: 10 /-							
Paidup Shares as on 01-Apr-2014		: 7359200							
Paidup Shares as on 31-Mar-2015		: 7359200							
For the Period From		: 01-Apr-2014				To : 31-Mar-2015			
Category code	Category of Shareholder	No. of shares held at the beginning of the year				No. of shares held at the end of the year			
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares
A.	SHAREHOLDING OF PROMOTER AND PROMOTER GROUP								
1.	INDIAN								
a.	INDIVIDUALS/HINDU UNDIVIDED FAMILY	0	0	0	0.0000	0	0	0	0.0000
b.	CENTRAL GOVERNMENT/ STATE GOVERNMENT(S)	0	0	0	0.0000	0	0	0	0.0000
c.	BODIES CORPORATE	1966700	0	1966700	26.7243	1966700	0	1966700	26.7243
d.	FINANCIAL INSTITUTIONS/ BANKS	0	0	0	0.0000	0	0	0	0.0000
e.	ANY OTHER								
	DIRECTORS AND	2574780	323920	2898700	39.3887	2593773	323920	2917693	39.6468

	SUB - TOTAL (B)(1)	0	287100	287100	3.9012	0	287100	287100	3.9012
2.	NON-INSTITUTIONS								
a.	BODIES CORPORATE	700	100900	101600	1.3805	3780	99500	103280	1.4034
b.	INDIVIDUALS -								
	I INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL UPTO RS. 1 LAKH	89387	1413000	1502387	20.4150	117873	1378200	1496073	20.3292
	II INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL IN EXCESS OF RS. 1 LAKH	24513	166200	190713	2.5914	24475	162000	186475	2.5339
c.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.0000	0	0	0	0.0000
d.	ANY OTHER								
	CLEARING MEMBERS	0	0	0	0.0000	600	0	600	0.0081
	HINDU UNDIVIDED FAMILIES	0	200	200	0.0027	2799	200	2999	0.0407
	NON RESIDENT INDIANS	700	411100	411800	5.5957	24680	373600	398280	5.4120
		700	411300	412000	5.5984	28079	373800	401879	5.4609
	SUB - TOTAL (B)(2)	115300	2091400	2206700	29.9855	174207	2013500	2187707	29.7275
	TOTAL PUBLIC SHAREHOLDING (B) = (B)(1)+(B)(2)	115300	2378500	2493800	33.8868	174207	2300600	2474807	33.6287
	TOTAL (A)+(B)	4656780	2702420	7359200	100.0000	4734680	2624520	7359200	100.0000
C.	SHARES HELD BY CUSTODIANS AND AGAINST WHICH DEPOSITORY RECEIPTS HAVE BEEN ISSUED								
	Promoter and Promoter Group	0	0	0	0.0000	0	0	0	0.0000
	Public	0	0	0	0.0000	0	0	0	0.0000
	TOTAL CUSTODIAN (C)	0	0	0	0.0000	0	0	0	0.0000
	GRAND TOTAL (A)+(B)+(C)	4656780	2702420	7359200	100.0000	4734680	2624520	7359200	100.0000

(ii) Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year 01/04/2014			Shareholding at the end of the year 31/03/2015			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Kumaresan G	40010	0.54	----	40010	0.54	----	----
2.	Nirmal Joseph J	10010	0.14	----	10010	0.14	----	----
3.	Bohra SM	100	0.00	---	100	0.00	--	--
4.	Padmanabhan K	100	0.00	--	100	0.00	--	--
5.	Padmanabhan V K	40100	0.54	--	40010	0.54	--	--
6.	Raghavan TRS	12600	0.17	--	12600	0.17	--	--
7.	Ramakrishnan PA	137200	1.86	--	137200	1.86	--	--
8.	Anbalagan S	10000	0.14	--	10000	0.14	--	--
9.	Harihara Krishnan S R	5000	0.07	--	5000	0.07	--	--
10	Hema Ramesh	5000	0.07	--	5000	0.07	--	--
11	Krishnamurthy Srinivasan	10000	0.14	--	10000	0.14	--	--
12	Raghuraman	5000	0.07	--	5000	0.07	--	--
13	Rajalakshmi S	2500	0.03	--	5000	0.03	--	--

14	Ramanujam R	6300	0.09	--	6300	0.09	--	--
15	Swaminathan	10000	0.14	--	10000	0.14	--	--
16	Swamy	15000	0.20	--	15000	0.20	--	--
17	Uma Harihara Krishnan	5000	0.7	--	5000	0.7	--	--
18	S Meganathan HUF	10000	0.14	--	10000	0.14	--	--
19	Klassic Industries Private Limited	500000	6.79	--	500000	6.79	--	--
20	Rajalakshmi Renewables Private Limited	261700	3.56	--	261700	3.56	--	--
21	Nortan Electricals Private Limited	1205000	16.37	--	1205000	16.37	--	--
22	Thangam Meganathan	425100	5.78	--	430064	5.84	--	0.06
23	Sankara ThanuPillai Meganathan	934580	12.70	--	948609	12.89	--	0.19
24	Kumarasamy S	15000	0.20	--	15000	0.20	--	--
25	Abhay Shankar M	350100	4.76	--	350100	4.76	--	--
26	S Meganathan	500000	6.79	--	500000	6.79	--	--
27	Hareeshankar M	350000	4.76	--	350000	4.76	--	--
	Total	4865400	66.11	-----	4884393	66.37	-----	0.25

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Sankara Thanupillai Meganathan	934580	12.70	--	948609	12.89	—	0.19
2.	Thangam Meganathan	425100	5.78	--	430064	5.84	--	0.06

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	SOUTHERN INDIA DEPOSITORY SVS PVT LTD JT1 : (ACCOUNT KOTHARI PIONEER TAXSHIELD 95)				
	At the beginning of the year 01-Apr-2014	164000	2.2285	164000	2.2285
	At the end of the Year 31-Mar-2015	164000	2.2285	164000	2.2285
2	MORGAN STANLEY ASSET MANAGEMENT INC JT1 : INDIA SPECIAL SITUATION FUND				
	At the beginning of the year 01-Apr-2014	120800	1.6414	120800	1.6414
	At the end of the Year 31-Mar-2015	120800	1.6414	120800	1.6414
3	RAO R H				

	At the beginning of the year 01-Apr-2014	68100	0.9253	68100	0.9253
	At the end of the Year 31-Mar-2015	68100	0.9253	68100	0.9253
4	MOHAMED NASSAR JT1 : HAMEEDHA BANU				
	At the beginning of the year 01-Apr-2014	50000	0.6794	50000	0.6794
	At the end of the Year 31-Mar-2015	50000	0.6794	50000	0.6794
5	MOHAMED SALIM MARICAR JT1 : MEERA HUSSAIN M				
	At the beginning of the year 01-Apr-2014	50000	0.6794	50000	0.6794
	At the end of the Year 31-Mar-2015	50000	0.6794	50000	0.6794
6	VASANT SHANTILAL SHAH				
	At the beginning of the year 01-Apr-2014	50000	0.6794	50000	0.6794
	At the end of the Year 31-Mar-2015	50000	0.6794	50000	0.6794
7	RAVI MEHROTRA				
	At the beginning of the year 01-Apr-2014	32900	0.4470	32900	0.4470
	At the end of the Year 31-Mar-2015	32900	0.4470	32900	0.4470
8	NATTARAYAN N				
	At the beginning of the year 01-Apr-2014	25600	0.3478	25600	0.3478
	At the end of the Year 31-Mar-2015	25600	0.3478	25600	0.3478
9	NARASIMHAN IYENGAR JT1 : LATHA IYENGAR				
	At the beginning of the year 01-Apr-2014	24900	0.3383	24900	0.3383
	At the end of the Year 31-Mar-2015	24900	0.3383	24900	0.3383
10	POORANI KUMAR				
	At the beginning of the year 01-Apr-2014	24513	0.3330	24513	0.3330
	Sale 04-Apr-2014	-5	0.0000	24508	0.3330
	Sale 11-Apr-2014	-5	0.0000	24503	0.3329
	Sale 25-Apr-2014	-100	0.0013	24403	0.3315
	Sale 16-May-2014	-5	0.0000	24398	0.3315
	Sale 23-May-2014	-15	0.0002	24383	0.3313
	Sale 30-May-2014	-5	0.0000	24378	0.3312
	Sale 06-Jun-2014	-565	0.0076	23813	0.3235
	Sale 13-Jun-2014	-1296	0.0176	22517	0.3059
	Sale 20-Jun-2014	-56	0.0007	22461	0.3052
	Sale 30-Jun-2014	-2800	0.0380	19661	0.2671
	Sale 04-Jul-2014	-1611	0.0218	18050	0.2452
	Sale 11-Jul-2014	-6600	0.0896	11450	0.1555
	Sale 18-Jul-2014	-4490	0.0610	6960	0.0945

	Sale 25-Jul-2014	-4047	0.0549	2913	0.0395
	Sale 01-Aug-2014	-2913	0.0395	0	0.0000
	Demated 30-Jan-2015	800	0.0108	800	0.0108
	Sale 20-Mar-2015	-750	0.0101	50	0.0006
	Purchase 27-Mar-2015	65	0.0008	115	0.0015
	At the end of the Year 31-Mar-2015	115	0.0015	115	0.0015
	HAVING SAME PAN				
10	POORANI KUMAR				
	At the beginning of the year 01-Apr-2014	0	0.0000	0	0.0000
	Purchase 27-Feb-2015	100	0.0013	100	0.0013
	Purchase 20-Mar-2015	100	0.0013	200	0.0027
	Sale 27-Mar-2015	-100	0.0013	100	0.0013
	At the end of the Year 31-Mar-2015	100	0.0013	100	0.0013

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year 01/04/2014		Cumulative Shareholding during the year 31/03/2015	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	At the End of the year	NIL	NIL	NIL	NIL

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	NIL	985563	NIL	985563
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	NIL	985563	NIL	985563
Change in Indebtedness during the financial year				
· Addition·	NIL	NIL	NIL	NIL
Reduction	NIL	NIL	NIL	NIL
Net Change	NIL	NIL	NIL	NIL
Indebtedness at the end of the financial year				
i) Principal Amount	NIL	985563	NIL	985563
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	NIL	985563	NIL	985563

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		WTD	MD	---	----	
1.	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL			NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL			NIL
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL	NIL			NIL
2.	Stock Option	NIL	NIL			NIL
3.	Sweat Equity	NIL	NIL			NIL
4.	Commission - as % of profit	NIL	NIL			NIL
5.	Others, please specify	NIL	NIL			NIL
	Total (A)		NIL			NIL
	Ceiling as per the Act	NIL				

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors		Total Amount
1	Independent Directors	MuraliKrishnan	VK Balaji	
	· Fee for attending board committee meetings	NIL	NIL	NIL
	· Commission	NIL	NIL	NIL
	· Others, please specify	NIL	NIL	NIL
	Total (1)	NIL	NIL	NIL
	Other Non-Executive Directors			
	· Fee for attending board committee meetings	NIL	NIL	NIL
	· Commission	NIL	NIL	NIL
	· Others, please specify	NIL	NIL	NIL
	Total (2)	NIL	NIL	NIL
	Total (B)=(1+2)	NIL	NIL	NIL
	Total Managerial Remuneration	NIL	NIL	NIL
	Overall Ceiling as per the Act			

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary *	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	Karthik – Rs.20,000 Guruswami- Rs.3,62,500	NIL	NIL
2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission - as % of profit - others, specify...	NIL NIL	NIL NIL	NIL NIL	NIL NIL
5.	Others, please specify	NIL	NIL	NIL	NIL
	Total	NIL	3,82,500	NIL	NIL

*Mr.K. Karthik & Mr.G Guruswami Raj employed part of the financial year 2014-2015. Mr. K Karthik resigned on 29th April 2014 from the post of Company Secretary of the Company. Mr. G Guruswami Raj was appointed as Company Secretary on 10th November 2014.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalties/ Punishment/ Compounding fees imposed	Authority (RD)/NCLT/ Court)	Appeals made if any (give Details)
A. Company					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. Directors					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. Other Officers in Default					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

For & On behalf of Board of Directors

N. Neelakanda Pillai
Managing Director

MuraliKrishnan
Director

DATE : 27.11.2015.
PLACE: CHENNAI

Annexure B
FORM NO- MR-3
Secretarial Audit Report

For The Financial Year Ended 31st March, 2015

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

The Members

M/s. Southern Latex Limited

B-11/W, SIPCOT Industrial Complex,
Gummidipoondi,
Tiruvalluvar District- 601201.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Southern Latex Limited** (hereinafter called the “Company”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, *subject to various observations annexed herewith in Annexure (2)*, the during the audit period ended on 31st March, 2015 (‘Audit Period’) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. Southern Latex Limited for the period ended on 31st March, 2015 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the Rules made there under;
- II. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the Rules made there under;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) to the extent applicable to the Company :-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; - Regarding change in promoters shareholding, the details of the necessary compliances are pending from the company.
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;- Regarding change in promoters shareholding, the details of the necessary compliances are pending from the company.
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not Applicable during the audit period);
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28th October, 2014 (Not Applicable during the audit period);

- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable during the audit period) ;
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with Client;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations 2009 (Not Applicable during the audit period) and;
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations 1998 (Not Applicable during the audit period);

VI. Other laws applicable to the Company as per the representations made by the Company.

I have also examined compliance with the applicable clauses of the following:

- i) Secretarial Standards issued by The Institute of Company Secretaries of India (Not notified during the audit period and hence not applicable to the Company)
- ii) The Listing Agreements entered into by the Company with the Stock Exchanges.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc mentioned above.

I further report that:

During the year 2014-2015, the Board of Directors of the Company is yet fulfill the required constitution of its size with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out and are recorded in the minutes of the meeting of the Board of Directors or Committee of the Board as the case may be.

I further report that as far as possible there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

P Thirumalai Kumar
Company Secretary in Practice
ACS No.13376
COP No. 9919

Place: Chennai
Date : 28th May 2015

ANNEXURE – 1

To
The Members
M/s. Southern Latex Limited
Chennai

My report of even date is to be read along with this letter.

- a. Maintenance of secretarial and other records is the responsibility of the management of the Company. My responsibility is to express an opinion on the relevant records based on my audit.
- b. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the relevant records and compliances. The verification was done on test basis to verify that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
- c. I have not verified the correctness and appropriateness of financial and tax records and books of accounts of the Company.
- d. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- e. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
- f. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

P Thirumalai Kumar
Practicing Company Secretary
ACS No.13376
COP No. 9919

Place: Chennai
Date : 28th May 2015

ANNEXURE-C**POLICY FOR SELECTION OF DIRECTORS AND DETERMINING DIRECTORS' INDEPENDENCE****1) Introduction**

a) The Company i.e., M/s. Southern Latex Limited (SLL) believes that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance.

Towards this, SLL ensures constitution of a Board of Directors with an appropriate composition, size, diversified expertise and experience and commitment to discharge their responsibilities and duties effectively.

b) SLL recognizes the importance of Independent Directors in achieving the effectiveness of the Board. SLL aims to have an optimum combination of Executive, Non-Executive and Independent Directors.

2) Scope and Exclusion

a) This Policy sets out the guiding principles for the Nomination and Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent directors of the Company.

3) Terms and References

In this Policy, the following terms shall have the following meanings:

- a) "Director" means a director appointed to the Board of a company.
- b) "Nomination and Remuneration Committee" means the committee constituted by SLL's Board in accordance with the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Equity Listing Agreement.
- c) "Independent Director" means a director referred to in subsection (6) of Section 149 of the Companies Act, 2013 and Clause 49(II)(B) of the Equity Listing Agreement.

4) Policy**d) Qualifications and criteria**

i) The Nomination and Remuneration (NR) Committee, and the Board, shall review on an annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience that are relevant for the Company's global operations.

ii) In evaluating the suitability of individual Board members, the NR Committee may take into account factors, such as:

- General understanding of the Company's business dynamics, global business and social perspective;
- Educational and professional background
- Standing in the profession;
- Personal and professional ethics, integrity and values;
- Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

iii) The proposed appointee shall also fulfill the following requirements:

- Shall possess a Director Identification Number;
- Shall not be disqualified under the Companies Act, 2013;
- Shall give his written consent to act as a Director;
- Shall endeavour to attend all Board Meetings and wherever he is appointed as a Committee Member, the Committee Meetings;
- Shall abide by the Code of Conduct established by the Company for Directors and Senior Management Personnel;
- Shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
- Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013, Equity Listing Agreements and other relevant laws.

iv) The NR Committee shall evaluate each individual with the objective of having a group that best enables the success of the Company's business.

e) Criteria of Independence

I) The NR Committee shall assess the independence of Directors at the time of appointment / re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interests or relationships are disclosed by a Director.

II) The criteria of independence, as laid down in Companies Act, 2013 and Clause 49 of the Equity Listing Agreement, is as below:

An independent director in relation to a company, means a director other than a managing director or a whole-time director or a nominee director—

- who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
- who is or was not a promoter of the company or its holding, subsidiary or associate company;
- who is not related to promoters or directors in the company, its holding, subsidiary or associate company;
- who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- none of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year; who, neither himself nor any of his relatives—

I. holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;

II. is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of—

A. a firm of auditors or company secretaries in practice or cost auditors of the company or its holding subsidiary or associate company; or

B. any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;

III. holds together with his relatives two per cent or more of the total voting power of the company; or

IV. is a Chief Executive or director, by whatever name called, of any non-profit organisation that receives twenty-five per cent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company; or

V. is a material supplier, service provider or customer or a lessor or lessee of the company.

- shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations, corporate social responsibility or other disciplines related to the Company's business.
- shall possess such other qualifications as may be prescribed, from time to time, under the Companies Act, 2013.
- who is not less than 21 years of age.

The Independent Directors shall abide by the "Code for Independent Directors" as specified in Schedule IV to the Companies Act, 2013.

Other directorships / committee memberships

4.3.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance. Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as directors of the Company. The NR Committee shall take into account the nature of, and the time involved in a Director's service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

4.3.2 A Director shall not serve as Director in more than 20 companies of which not more than 10 shall be Public Limited Companies.

4.3.3 A Director shall not serve as an Independent Director in more than 7 Listed Companies and not more than 3 Listed Companies in case he is serving as a Whole-time Director in any Listed Company.

4.3.4 A Director shall not be a member in more than 10 Committees or act as Chairman of more than 5 Committees across all companies in which he holds directorships. For the purpose of considering the limit of the Committees, Audit Committee and Stakeholders' Relationship Committee of all Public Limited Companies, whether listed or not, shall be included and all other companies including Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013 shall be excluded.

For & On behalf of Board of Directors

N. Neelakanda Pillai
Managing Director

MuraliKrishnan
Director

DATE : 27.11.2015.

PLACE: CHENNAI

ANNEXURE -D**REMUNERATION POLICY FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES****1. Introduction**

1.1 Southern Latex Limited (SLL) recognizes the importance of aligning the business objectives with specific and measureable individual objectives and targets. The Company has therefore formulated the remuneration policy for its directors, key managerial personnel and other employees keeping in view the following objectives:

1.1.1 Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate, to run the company successfully.

1.1.2 Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.

1.1.3 Ensuring that remuneration involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

2. Scope and Exclusion:

2.1 This Policy sets out the guiding principles for the Human Resources, Nomination and Remuneration Committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the Company.

3. Terms and References:

In this Policy, the following terms shall have the following meanings:

3.1 “Director” means a director appointed to the Board of the Company.

3.2 “Key Managerial Personnel” means

(i) the Chief Executive Officer or the managing director or the manager;

(ii) the company secretary;

(iii) the whole-time director;

(iv) the Chief Financial Officer; and

(v) such other officer as may be prescribed under the Companies Act, 2013

3.3 “Nomination and Remuneration Committee” means the committee constituted by SLL’s Board in accordance with the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Equity Listing Agreement.

4. Policy:

4.1 Remuneration to Executive Directors and Key Managerial Personnel

4.1.1 The Board, on the recommendation of the Nomination and Remuneration (NR) Committee, shall review and approve the remuneration payable to the Executive Directors of the Company within the overall limits approved by the shareholders.

4.1.2 The Board, on the recommendation of the NR Committee, shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company.

4.1.3 The remuneration structure to the Executive Directors and Key Managerial Personnel shall include the following components:

(i) Basic Pay

(ii) Perquisites and Allowances

(iii) Stock Options

(iv) Commission (Applicable in case of Executive Directors)

(v) Retirement benefits

(vi) Annual Performance Bonus

4.1.4 The Annual Plan and Objectives for Executive Directors and Senior Executives (Executive Committee) shall be reviewed by the NR Committee and Annual Performance Bonus will be approved by the Committee based on the achievements against the Annual Plan and Objectives.

4.2 Remuneration to Non-Executive Directors.

4.2.1 The Board, on the recommendation of the NR Committee, shall review and approve the remuneration payable to the Non-Executive Directors of the Company within the overall limits approved by the shareholders.

4.2.2 Non-Executive Directors shall be entitled to sitting fees for attending the meetings of the Board and the Committees thereof. The Non-Executive Directors shall also be entitled to profit related commission in addition to the sitting fees.

4.3 Remuneration to other employees

4.3.1 Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

For & On behalf of Board of Directors

N. Neelakanda Pillai
Managing Director

MuraliKrishnan
Director

DATE : 27.11.2015.
PLACE: CHENNAI

ANNEXURE -E
FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions NOT at arms' length basis:

Name of the related party and nature of relationship	Nature of Contracts / arrangements / transactions	Duration of the Contracts / arrangements / transactions	Salient terms of the Contracts / arrangements / transactions including the value, if any	Date of approval by the Board	Amount paid as Advance
NIL	NIL	NIL	NIN	NA	NIL

2. Details of contracts or arrangements or transactions at arms' length basis:

Name of the related party and nature of relationship	Nature of Contracts / arrangements / transactions	Duration of the Contracts / arrangements / transactions	Salient terms of the Contracts / arrangements / transactions including the value, if any	Date of approval by the Board	Amount paid as Advance
NIL	NIL	NIL	NIN	NA	NIL

For & On behalf of Board of Directors

N. Neelakanda Pillai
Managing Director

MuraliKrishnan
Director

DATE : 27.11.2015.
PLACE: CHENNAI

REPORT ON CORPORATE GOVERNANCE FOR THE YEAR ENDED 31ST MARCH 2015

A. Philosophy on Code of Governance:

Corporate Governance essentially is the system by which companies are directed and controlled by the management in the best interest of the stakeholders and others. It ensures fairness, transparency and integrity of the management. It further inspires and strengthens investor's confidence and commitment to the company.

Your company's policy on governance has been

1. to enhance the long-term interest of its shareholders and to provide good management, the adoption of prudent risk management techniques, compliance with the statutory requirements and thereby safeguarding the interest of shareholders, creditors, investors and employees; and

2. to identify and recognize the Board of Directors and the Management of our company as the principal instrument through which corporate governance principles are articulated and implemented. Further to identify and recognize accountability, transparency and equality of treatment for stakeholders, as central tenets of good corporate governance

In compliance with the disclosure requirements of Clause 49 of the Listing Agreement executed with the stock exchanges, the details are set out below:

B. Board of Directors

Composition & Category of Directors as on 31st March 2015 is as follows:

Category	No. of Directors	%
Executive Directors	1	25%
Non-Executive & Independent Directors	*3	75%
Total	4	100%

*Mr. G Manivannan resigned from Directorship on 31st May 2014

Ms. Santhi was appointed as Independent Women Director on 31st March 2015

The function, responsibility, role and accountability of the Board are well defined. The Board approves the annual budget. The detail reports of the company's performance are periodically placed before the Board.

The Board met 9 (Nine times) on the following dates during the financial year 2014 -15

Date of Board meeting	Main Agenda discussed	Attendance
29 th April 2014	Acceptance of Resignation of Mr. Karthik, from the post of Company Secretary of the Company	4
16 th May 2014	Adoption of Audited Financial Results for the year ended 31 st March 2015	4
31 st May 2014	Resignation of Mr. G Manivannan from Directorship of the Company	4

08 th July 2014	Unaudited quarterly Results adopted for the quarter ended 30 th June 2014	3
09 th October 2014	Unaudited quarterly Results adopted for the quarter ended 30 th Sep 2014	3
10 th Nov 2014	Adoption of AGM Notice Appointment of Mr. Guruswami as Company Secretary of the company	3
18 th Dec 2014	25 th Annual General Meeting held & Board met & discussed the review of AGM transactions	3
12 th Feb 2015	Unaudited quarterly Results adopted for the quarter ended 31 st Dec 2014	3
31 st March 2015	Appointment of Ms. Santhi as Independent Women Director	4

The Company has Executive and Independent directors. None of the Directors on the board is a member on more than 10 committees (as specified in Clause 49 of the Listing Agreement with Stock Exchanges) across all the companies in which they are Directors.

The composition of the Board as on 31st March 2015 as well as names and categories of the directors on the board, their attendance at Board Meetings held during the financial year 2014 – 2015 and also at the last Annual General Meeting were as follows:

Name of Directors	Category	Membership Chairmanship held in committees of other companies	Number of Meeting Attended	Attendance at last AGM
Mr. N. Neelakanda Pillai (DIN 00084550)	Managing Director	-	9	Yes

Mr. V K Balaji (DIN 00084412)	Independent Director	-	9	Yes
Mr. Muralikrishnan (DIN 05312102)	Independent Director	-	9	Yes
*Ms. Santhi (DIN 07145742)	Independent Women Director	-	1	-
**Mr. G Manivannan (DIN 02611543)	Independent Director	-	3	-

*Ms. Santhi was appointed on 31st March 2015

**Mr. G Manivannan resigned from directorship on 31st May 2014

C. Committees of the Board:

The Board of Directors has constituted the following committees with commensurate delegation of powers to discharge affairs of the company on a periodical basis as well as to meet the business exigencies of the company.

1. Nomination & Remuneration Committee:

Term of reference:

Nomination and Remuneration Policy has been framed by the Board of Directors.

The present Human Resource Policy of the Company considers human resources as its invaluable assets and has its objective the payment of remuneration to all its employees, including Directors and Key Managerial Personnel, appropriate to employees' role and responsibilities and the Company's goals based on the performance of each of its employees in the Company. For administrative convenience and quicker decisions, the committee was constituted in the line with the provisions of section to the needs.

For the year ended 31st March 2015 the committee met on the following dates:

May 16, 2014 July 8, 2014 October 9, 2014 December 18, 2015 & February 12, 2015

Composition:

Name of Member	Designation	No of Meetings attended
Mr. MuraliKrishnan	Chairman	5
Mr. V K Balaji	Member	5
Mr. N Neelakanda Pillai	Member	5
Ms. Santhi**	Member	-
Mr. G Manivannan *	Member	1

*Mr. G Manivannan resigned on 31st May 2014

**Ms. Santhi was appointed as Independent Director on 31st March 2015

During the year concerned, None of the Directors have been paid any Remuneration but they have been reimbursed their actual expenses i.e., Conveyance & Food etc for attending the Board & other Committee Meetings.

2. Audit committee (AC):

a)Term of reference: The terms of reference of the AC are in accordance with clause 49 of the Listing Agreement and it includes the following

1. To provide direction and to oversee the operations of the audit functions in the company.
2. To review the adequacy of internal control system and internal audit function with special emphasis on their quality and effectiveness.
3. To review half yearly and annual financial results before submission to the Board for approval.
4. To investigate into any matter in relation to the items specified in Section 177 of the companies Act 2013.
5. To have full access to information contained in the records of the company and external professional advice, if necessary.
6. To oversee the company's financial process and the disclosure of its financial information to ensure that the financial statements are true and fair.
7. To discuss with statutory auditors before commencement of audit about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.

b)Composition:

The composition of the Committee as on 31st March 2015 as well as their attendance at the Meetings held during the financial year 2014 – 15 as follows:

Name of Member	Designation	No of Meetings attended
Mr. V K Balaji	Chairman	5
Mr. MuraliKrishnan	Member	5
Mr. N. Neelakanda Pillai	Member	5
Ms. Santhi **	Member	1

Mr. G Manivannan *	Member	1
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*Mr. G Manivannan resigned on 31st May 2014

**Ms. Santhi was appointed as Independent Director on 31st March 2015

The audit committee of directors had met during the period under review and the meetings were held on 16th May 2014, 8th July 2014, 9th October 2014 18th December 2014 and 12th February 2015

All the members of the committee have wide exposure and possess sound knowledge in the area of accounts, finance, audit, internal control etc. Statutory Auditors, Internal Auditor and the Chief Financial Officer were present in the meetings

All the members on that date, were present at the last Annual General Meeting held on 18th December 2014.

3. Shareholders'/Investors Grievance Committee:

Terms of reference:

To look into redressal of shareholders'/investors' grievances relating to non-receipt of dividend, non-receipt of balance sheet, transfer, etc.

They periodically reviewed the investors complaints received and redressed. During the year, the said committee met 5 times on 16th May 2014, 8th July 2014, 9th October 2014 18th December 2014 and 12th February 2015 to review the shareholders'/investors' grievances.

b) Composition and Attendance:

Name of the Members	No of Meetings Attended
*Mr G Manivannan- Member	1
Mr. Muralikrishnan- Chairman	5
Mr. N Neelakanda Pillai- Member	5
**Ms.Sanathi- Member	-
Mr. V K Balaji- Member	5

*Mr. G Manivannan resigned on 31st May 2014

**Ms. Santhi was appointed as Independent Director on 31st March 2015

Name, Designation and address of Compliance Officer:

Mr.N. Neelakanda Pillai

Managing Director,
Southern Latex Limited,
B-11/W, SIPCOT Industrial Complex,
Gummidipoondi,
Tiruvalluvar District- 601201.

Status of Investors complaints as on March 31, 2015 are as under:

Particulars	Status
Complaints as on April 1, 2014	Nil
Received during the year	1
Resolved during the year	1
Pending as on March 31, 2015	NIL

Compliance / correspondence are usually dealt with within 2 weeks of receipts and are completely resolved except in cases where litigation is involved.

4. Share Transfer Committee:

The Share Transfer Committee was formed on June 16, 2001. It considers transfer / transmission of shares issued by the Company, issue of duplicate certificates and certificates after split/consolidation / renewal. During the year the Committee met several times. Share transfer lodgements are processed within 20 days and returned except in cases where litigation is involved.

5. Corporate Social Responsibility Committee:

Terms of reference: The CSR Committee, aims to ensure that corporate social responsibility with a positive impact on people and communities.

Date of Meetings: (Total no. of meetings – 5) 16th May 2014, 8th July 2014, 9th October 2014 18th December 2014 and 12th February 2015

Composition:

Name of Member	Designation	No of Meetings attended
Mr. V K Balaji	Chairman	5
Mr. N Neelakanda Pillai	Member	5
Mr. MuraliKrishnan	Member	5
Ms. Santhi **	Member	-

6. Whistle Blower Protection Committee:

Whistle Blower Policy: A Whistle Blower Policy has been framed by the Board of Directors for employees to report to the Management:

- Instances of unethical behaviour, actual or suspected, fraud or violation of the Company's Code or Ethics
- In case of any event of misconduct, act of misdemeanor or act not in Company's interest, which could affect the business or reputation of the Company.

Composition:

Name of Member	Designation	No of Meetings attended
Mr. MuraliKrishnan	Chairman	5
Mr. G Manivannan*	Member	1
Mr. N Neelakanda Pillai	Member	5
Mr. V K Balaji	Member	5
Ms. Santhi**	Member	-

*Mr. G Manivannan resigned on 31st May 2014

**Ms. Santhi was appointed as Independent Director on 31st March 2015

The Committee has not received any information from Whistle Blower in the current year

7. Details of General Body Meeting:

Year	Location	Date	Time
22 nd AGM 2010-11	B-11/W, SIPCOT Industrial Complex, Gummidipoondi, Tiruvalluvar District- 601201	30.09.2011	12.00 P.M
23 rd AGM 2011-12	B-11/W, SIPCOT Industrial Complex, Gummidipoondi, Tiruvalluvar District- 601201	29.09.2012	12.00 P.M
24 th AGM 2012-13	B-11/W, SIPCOT Industrial Complex, Gummidipoondi, Tiruvalluvar District- 601201	20.09.2013	12.00 P.M
25 th AGM 2013-14	Selva Rajeshwari Hall, D K Complex, No.2, Srinivasan Nagar, 1 st Main Road, Villivakkam, Chennai 600099	18.12.2014	10.30 A.M

8. Disclosures:

Subsidiary Company & Holding Company:

There is no subsidiary company nor holding company.

9. Means of Communication:

a. Quarterly / half yearly & annual results are communicated through newspaper advertisements and press releases.

b. The results are generally published in the News Today / Trinity Mirror for English and Malai Sudar / Makkal Kural for Tamil publications. The financial results, Corporate Governance Report, Shareholding Pattern and other related disclosures are regularly updated in the website of the Company www.southernlatexlimited.com

c. The Management Discussion and Analysis Report for the year 2014-2015 forms part of the Annual Report.

10. General Shareholder Information

AGM: Date, time and venue	28 th December 2015 at 10.30 A.M
Date of Book Closure	22 nd December 2015 to 28 th December 2015 (both days are inclusive)
Financial Year	1 st April to 31 st March
Tentative dates of Board Meetings for considering the results (2015-2016)	1 st Quarter, last week of July 2015 2 nd Quarter, last week of October 2015 3 rd Quarter, last week of January 2016

	4 th Quarter, last week of April 2016
Your Company's Shares is listed in the following stock exchange	The BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001 The Listing fees paid for the financial year 2015-2016
Stock Code & ISIN Number	514454 & INE410M01018
Registrar and Share Transfer Agents	M/s. Cameo Corporate Services Limited "Subramanian Building" No. 1, Club House Road, Chennai-600002 Phone: +91 44 – 2846 0390-94 Fax: +91 44 – 2846 0129 E-mail: cameo@cameoindia.com
Address for correspondence relating to shares and Secretarial materials	Mr. N. Neelakanda Pillai, Managing Director, B-11/W, SIPCOT Industrial Complex, Gummidipoondi, Tiruvalluvar District- 601201 Email id southernlatexltd@yahoo.com

11. Share Transfer System

The Company has appointed M/s. Cameo Corporate Services Limited as its Registrar & Share Transfer Agent. Shares transfers are processed and approved, subject to receipt of all requisite documents.

As per the provisions of the relevant acts, all transfers are approved for registration within the stipulated period.

A share transfer committee of the Board consisting of a few Directors has been formed to look after the matters relating to the transfer of shares, issue of duplicate share certificates in lieu of mutilated certificates and other related matters.

12. Dematerialization of shares and liquidity:

According to a Notification of the Securities and Exchange Board of India, the equity shares of the company shall be traded compulsorily in demat form by all investors with effect from 24.07.2000. The company had already entered into agreement with the National Securities Depository Limited (NSDL) so as to provide the members an opportunity to hold and trade shares of the Company in electronic form.

As on 31st March 2015, out of total 73,59,200 equity shares of the company 47,34,680 shares representing 64.34% of total shares have been dematerialized. The detailed breakup of shares as on 31st March 2015 is as follows:

Particulars	No of Shares	%
CDSL	33947	0.46%
NSDL	4700733	63.88%
Physical	2624520	35.66%
Total	7359200	100.00%

13. Stock Market Data

Market price data of the Company's shares in the Bombay Stock Exchange:

Month	The Bombay Stock Exchange	
	High (Rs.)	Low(Rs.)
April 2014	17.20	15.55
May 2014	16.30	9.95
June 2014	9.46	6.01
July 2014	5.99	4.00
August 2014	4.20	3.90
September 2014	3.84	2.83
October 2014	2.82	2.69
November 2014	3.10	2.69
December 2014	4.33	3.12
January 2015	5.25	4.50
February 2015	5.67	4.77
March 2015	9.17	5.92

14. Distribution of shareholding as on 31st March 2015

Total Nominal Value:

Nominal value of each equity share Rs.10 each

Total number of Equity shares: 73,59,200

Type of Shareholder	No. of Shareholder	No. of Share	No. of Share in Demat	% of Holding
Promoters	27	4884393	4560473	66.37
Public Shareholding -Institutions	5	287100	0	3.90
Public Shareholding – Non Institutions				
a)Body Corporates	31	103280	3780	1.40
b)Individuals	6709	1682548	142348	22.87
c) Clearing Members	1	600	600	0.01
d) NRIs	115	398280	24680	5.41
e) HUF	5	2999	2799	0.04
Total	6893	7359200	4734680	100.00

15. The company has not issued any GDRs/ADRs/Warrants or other instruments, which are pending for conversation.

16. Details Shares held by the Directors as on 31st March 2015

Name of Director	Category	No of Shares Held
N. Neelakanda Pillai	Managing Director	NIL
V K Balaji	Non-Executive & Independent Director	NIL
Muralikrishnan	Non-Executive & Independent Director	NIL
Santhi	Non-Executive & Independent Women Director	NIL

17. The Management Discussion and Analysis is attached separately and forming part of this Annual Report.

18. Code for prevention of Insider Trading Practices

In compliance with the SEBI regulation on prevention of Insider Trading, your Company has formed a comprehensive Code of Conduct for its management and employees in line with the SEBI Insider Trading Guidelines. The Code lays down guidelines, which advises them on procedures to be followed and disclosures to be made while dealing with shares of the Company and consequent implications on its violations.

19. There is no legal proceedings pending against the Company.

On behalf of Board of Directors

N. Neelakanda Pillai
Managing Director

DATE : 27.11.2015.
PLACE: CHENNAI

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To

The Shareholders
M/s. Southern Latex Limited

We have examined the Compliance of Conditions of Corporate Governance by Southern Latex Limited, Chennai, for the year ended 31st March 2015, as stipulated in clause 49 of the Listing Agreement entered into by the company with the Stock Exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion of the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

I further state that such compliance is neither an assurance as to future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For Kannan & Alamelu
Chartered Accountant
(FR.No.009087S)

-sd-
A.B. Kannan
Partner
Membership No. 203385

Place: Chennai
Date: 27.11.2015

Declaration of Code of Conduct

To

The Members of M/s Southern Latex Limited

This is to confirm that the board has laid down a code of conduct for all Board members and senior management of the Company. The code of conduct has also been posted on the web site of the Company.

It is further confirmed that all the directors and senior management personnel of the Company have affirmed compliance with the code of conduct of the company for the year ended 31st March 2015, as envisaged in clause 49 of the Listing Agreement with Stock Exchange.

N. Neelakanda Pillai
Managing Director

Place: Chennai
Date: 27.11.2015

CERTIFICATION BY CHIEF EXECUTIVE OFFICER / WHOLETIME DIRECTOR OF M/s. SOUTHERN LATEX LIMITED

I, **N. Neelakanda Pillai**, Managing Director of **M/s Southern Latex Limited** (the Company), to the best of my knowledge and belief certify that:-

1. I have reviewed the Balance Sheet and Profit and Loss Account and all its Schedules and Notes on Accounts, as well as the Cash Flow Statement and Director's Report.
- a. Based on my knowledge and information, these statements do not contain any untrue statement of a material fact or omit any material fact or contain statements that might be misleading.
- b. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
1. I also certify, that based on our knowledge and the information provided to me, there are no transactions entered into by M/s Southern Latex Limited which are fraudulent, illegal or in violation of the Company's Code of Conduct.
2. I am responsible for establishing and maintaining internal controls and procedures for the Company pertaining to financial reporting, and have evaluated the effectiveness of these procedures in M/s Southern Latex Limited. I have disclosed to the auditors and Audit Committee, deficiencies, if any, in the design or operation of such internal controls, of which I am aware and the steps that I have taken or propose to take to rectify these deficiencies.
3. I have disclosed, based on my most recent evaluation, wherever applicable, to the Company's auditors and the Audit Committee of the Company's Board of Directors:-
 - a. Significant changes in internal controls during the year:
 - b. Significant changes in accounting policies during the year and that the same have been disclosed in the Notes to the financial statements: and
 - c. Instances, if any, of significant fraud of which I have become aware and the Involvement therein, if any, of the Management or and employee having a significant role in the Company's internal control system.
4. I affirm that I have not denied any personnel, access to the Audit Committee of Company (in respect of matters involving misconduct, if any).
5. I further declare that all the Board members and Senior Management have affirmed compliance with Code of Conduct for the current year.

N. Neelakanda Pillai
Managing Director

Place: Chennai
Date: 27.11.2015

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY OUTLOOK

OVERVIEW:

In Financial year 2014-15, changing market dynamic requires that we design our organization for Growth & Technology is the core of our business.

The financial year 2013-2014 saw continued sluggishness in the investment and capex cycles, high inflationary pressures with significant supply side gaps, a consequent decline in savings rates, sluggish real fixed capital formation and very low market confidence. Whereas, the last financial year 2014-2015, the trend has got changed on the prosperous aspects of fresh foreign funds, revival economy and promising government initiatives.

GLOBAL MARKET

The world has learnt its lessons from recession and is actively taking steps to sustain. India's advantage and make India's Economy & Industry more resilient to global economic conditions. This optimism is being reflected in all parts of the world.

The niche products and delivery model is important and Indian Industrial Rubber providers will need to adapt themselves in this prevailing situation in all over world. From a growth perspective, the future is still bright and has been impacted by the after effects of recession, witnessed by everyone.

BUSINESS OVERVIEW

A significant proportion of all Indian businesses fall under the small and medium enterprise segment. So, a broad-based, sustainable growth in the Indian economy can emerge only if the country's SMB enterprises record a healthy growth as they attempt to improve productivity, adopt best practices and bring innovative products to market. Again Indian SMBs are undergoing rapid transformation and are looking for greater flexibility to meet market changes. The need to grow revenues and reach their full potential in the shortest possible time span is going to increase their dependence on technology and managed by automation in production.

OPERATIONS OVERVIEW:

During the year under review, your company had made a turnover of Rs.83.15 lakhs and resulting Net profit of Rs.11.21 lakhs as compared with the previous year as Rs.122.68 lakhs and Rs.3.13 lakhs respectively.

The Company is planning to venture into new business opportunities and diversify its operations in future. The Company is looking for a strong future ahead and targeting the growth in upcoming year. Accordingly the financial position would also improve considerably.

THREATS, RISKS & CONCERNS**● Competition**

As the industry is poised for considerable growth, a lot of Companies are entering this arena and the cost efficient competitors are increasing. Also in the global scenario, there is a huge advent of companies in similar kind of businesses in China, Korea, Philippines and Singapore. These Countries also have a huge cost advantage like India. Over and above that, the Government in such countries is actively supporting the growth of the concerned Industry. However, due to global economic meltdown, companies may reduce or postpone their technology spending & expansion. Reduction in spending may result in lower demand and negatively affect our revenues and profitability.

For the past several years, India has achieved healthy economic growth rates. The growth has been contributed by robust service sector performance as well as strong manufacturing output. India is being viewed as a key market among the emerging economies. This could affect our growth and profitability.

● Capital Intensive and technology obsolescences

This Industry is very capital intensive and typically requires high-end systems and storage equipment and proper infrastructure planning. Also the methods, technical know-how & new formula used in this field are dynamically changing and the advent of new technology, techniques and upgrades seem to be very fast. It poses a continuing challenge to companies in this Industry to adapt to newer technologies and also for the personnel to get trained and use these effectively.

INTERNAL CONTROL SYSTEMS:

The Company has an adequate systems and internal controls to safeguard the assets of the company; and to ensure maintenance of proper accounting records. Audit Committee periodically reviews the functioning of the entire system.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS:

The Company makes efforts to ensure that employees are provided with a congenial work atmosphere. Facilities are equipped with state-of-the-art machineries, automation software and communication equipment apart from periodic recreational facilities to motivate the team. Continuously improving the quality of people through training in skill development as well as personality development. Management places great emphasis on continuously improving the work environment and ambience to nurture innovation and creativity.

For SOUTHERN LATEX LIMITED

N. Neelakanda Pillai
Managing Director

Place: Chennai
Date: 27.11.2015

INDEPENDENT AUDITOR'S REPORT

**TO,
THE MEMBERS OF SOUTHERN LATEX LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of **SOUTHERN LATEX LIMITED** (“the Company”), which comprise the Balance Sheet as at **31/03/2015**, the Statement of Profit and Loss, **the cash flow statement** for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial

statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at **31/03/2015**, and its **Profit and it's cash flows** for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditors' Report) Order,2015("the Order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013. We give in the Annexure A statements on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.

As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss **and the cash flow statement** dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on **31/03/2015** taken on record by the Board of Directors, none of the directors is disqualified as **31/03/2015** from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 1. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 2. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

3. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Date : 30/05/2015

Place : Chennai

FOR KANNAN AND ALAMELU
(Chartered Accountants)
Reg No. : 009087S

A.K.ALAMELU
Partner
M.No. : 206906

Annexure to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(1) In Respect of Fixed Assets

(a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) Fixed assets have been physically verified by the management at reasonable intervals; No material discrepancies were noticed on such verification. Though company have sold the substantial part of fixed assets, its does not affect the normal course of business operation.

(2) In Respect of Inventory

(a) Physical verification of inventory has been conducted at reasonable intervals by the management.

(b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

(c) The Company is maintaining proper records of inventory. No material discrepancies were noticed on physical verification.

(3) Loans and advances to parties covered under section 189

The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the registered maintained under Section 189 of the Companies Act 2013.

(4) Internal Control in reference to Purchase of Inventory and Fixed Assets and whether there is continue failure of Internal control

In our opinion and according to the information and explanations given to us there are adequate internal control system commensurate with the size of the company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of audit We have not observed continuing failure to correct major weaknesses in internal control system.

(5) Rules followed while accepting Deposits

No deposits within the meaning of Sections 73 to 76 or any other relevant provision of the Act and rules framed thereunder have been accepted by the Company.

(6) Maintenance of cost records

The Company is not required to maintain cost records pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (l) of section 148 of the Companies Act.

(7) According to the information and explanations given to us in respect of statutory dues

(a) The company is regular in depositing with appropriate authorities undisputed statutory dues including

Provident fund, Investor education protection fund, Employees` state insurance, Sales tax, Wealth tax, Service tax, Custom duty, Excise duty, Cess and other material statutory dues applicable to it and to regularise the payment of TDS.

According to the records of the Company, there were interest free sales tax loans outstanding as on 31st March 2015 for the period of more than six months from the date they became payable.

(b) According to the information and explanation given to us, no undisputed amounts payable Income tax, as at 31st March, 2015 for a period of more than six months from the date they became payable except in the case of Sale Tax dispute for Rs.113 Lacs

(c) The company is not required to be transferred to Investor education and protection fund during the year. Since, there is no unclaimed and unpaid dividends, deposits and debentures etc.,

(8) Company which has been registered for a period less than five years and accumulated losses are more than 50% of Net worth, Reporting of cash Losses

The company`s accumulated losses at the end of the financial year are less than fifty percent of its net worth and it has not incurred cash losses in the current and immediately preceding financial year.

(9) Default in Repayment of Loans taken from Bank or Financial Institutions

The company has not defaulted in repayment of dues to financial institution or bank.

(10) Terms for Loans and Advances from Banks or Financial Institutions prejudicial to the interest of the company

According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.

(11) Application versus purpose for which Loan Granted

The company did not have any term loans outstanding during the year.

(12) Reporting of Fraud During the Year- Nature and Amount

According to the information and explanation given to us, no fraud on or by the company has been noticed or reported during the year.

Place : **CHENNAI**

Date : **30/05/2015**

FOR KANNAN AND ALAMELU
(Chartered Accountants)
Reg No. :009087S

A.K.ALAMELU
(Partner)
Membership No : 206906

SIGIFICANT ACCOUNTING POLICES1. FIXED ASSETS:

Fixed Assets are stated at cost of acquisition and subsequent improvement thereto inclusive of taxes, duties, freight and other incidental expenses related to acquisition, improvement and installation.

2. DEPRECIATION:

Depreciation on Fixed Assets has been provided as per Written down Value Method as per the Useful Lifes prescribed under Schedule II of the Companies Act, 2013.

3. REVENUE RECOGNITION:

Revenue from sale of goods is recognized when significant risks and rewards in respect of ownership of the products are transferred to customers net of rate difference and discount given.

4. INVENTORIES:

Inventories are valued on the following basis:

- a) Raw Material at Cost
- b) Work In progress at cost
- C) Finished goods at lower of cost and net realizable value.

5. MISCELLANEOUS EXPENDITURE:

Miscellaneous expenditure is amortized over the number of years, as prescribed in the provision of Income Tax Act, 1962.

6. SYSTEM ACCOUNTING:

The company adopts the accrual concept in the preparation of the accounts.

7. INFLATION:

Assets and Liabilities are recorded at historical cost at the company. These costs are not adjusted to the reflect the changing value in the purchasing power of money.

8. CONTIGENT LIABILITIES:

Contingencies are disclosed.

9. PRIOR PERIOD ADJUSTMENTS, EXTRA – ORDINARY ITEMS AND CHANGES IN ACCOUNTING POLICY:

There are no prior period adjustments, extra – ordinary items and no changes in accounting policy as compared to previous years.

NOTES TO THE ACCOUNTS

1. The estimated amount of contracts remaining to be executed on capital account and not provided in the books of accounts : Rs. Nil
2. Contingent liabilities in respect of :
 - a) Claims against the company not acknowledged as debits
 - b) Dispute Liability:
 - I. Sales Tax Rs. 113.00 lakhs

3. The Company has not changed the method of valuation of stocks of Raw Material, Work – in- progress and finished goods
4. Proper provision for income tax is provided in the books after considering the Tax Deducted at source and brought forward loss
5. RETIREMENT BENEFITS
 - a) Gratuity: As the company has no employees working for than five years, no gratuity has been provided by the company in the accounts. However, the management will be taking steps to introduce Group Insurance Scheme with the Life Insurance Corporation of India for Gratuity payment.
 - b) Provident Fund: The Company is making to enrol with P.F.Authorities.
6. Reimbursement of expenses i.e., conveyance and food etc has been provided to Directors for attending Board Meeting held during the year.
7. Preliminary expenses have been amortized as per the provision of section 35D of the Income tax act, 1951.
8. Provision and or payments in respect of statutory auditor's remuneration.

Particulars	31.03.2015	31.03.2014
Audit Fees	30,000	30,000

9. Sundry Debtors/Creditors/ Loans and Advances and subject to the confirmation and reconciliation.

For SOUTHERN LATEX LIMITED

N. Neelakanda Pillai
Managing Director

Murali Krishnan
Director

V K Balaji
Director

For Kannan & Alamelu
Chartered Accountant
(FR.No.009087S)

-sd-
A.K. Alamelu
Partner
Membership No. 206906

Place: Chennai
Date: 30.05.2015

M/S. SOUTHERN LATEX LIMITED

B-11/W, SIPCOT INDUSTRIAL COMPLEX, GUMMIDIPOONDI, THIRUVALLUR DT -601 201

Balance sheet as at 31st March, 2015

		Particulars	Note No.	As at	As at
				31st March, 2015	31st March, 2014
				₹	₹
		<u>EQUITY AND LIABILITIES</u>			
1		Shareholders' funds			
	a	Share Capital	1	73,592,000	73,592,000
	b	Reserves and Surplus	2	(24,788,983)	(25,910,003)
	c	Money received against share warrants		-	-
				48,803,017	47,681,997
2		Share application money pending allotment		-	-
3		Non-Current Liabilities			
	a	Long-term borrowings	3	985,563	985,563
	b	Deferred tax liabilities (Net)	4	-	-
	c	Other Long term Liabilities	5	-	-
	d	Long term provisions	6	-	-
				985,563	985,563
4		Current Liabilities			
	a	Short term borrowings	7	-	-
	b	Trade payables	8	493,000	901,071
	c	Other current liabilities	9	33,708	86,277
	d	Short term provisions	10	-	-
				526,708	987,348
		Total		50,315,288	49,654,908
		<u>ASSETS</u>			
1		Non current assets			
	a	Fixed Assets	11		

	i	Tangible Assets		8,668,127	12,162,720
	ii	Intangible Assets		-	-
	iii	Capital Work-in-progress		-	-
	iv	Intangible assets under development		-	-
				8,668,127	12,162,720
	b	Non current investments	12	-	-
	c	Deferred tax assets (Net)	13	-	-
	d	Long-term loans and advances	14	500,000	-
	e	Other non-current assets	15	-	-
				9,168,127	12,162,720
2		Current assets			
	a	Current Investments	16	-	-
	b	Inventories	17	875,900	2,822,300
	c	Trade receivables	18	1,763,992	3,460,671
	d	Cash and cash equivalents	19	2,203,485	916,689
	e	Short term loans and advances	20	33,457,931	29,843,520
	f	Other current assets	21	2,845,853	449,008
				41,147,161	37,492,188
		Total		50,315,288	49,654,908

Significant accounting policies

The accompanying notes are an integral part of the financial statements
Interms of our report attached

For KANNAN AND ALAMELU*Chartered Accountants*

Registration No. 009087S

**For SOUTHERN
LATEX LIMITED****A K ALAMELU**

Partner

Membership No. 206906

Chennai, Dated 30th May, 2015

Sd- Sd-
DIRECTOR DIRECTOR

M/S. SOUTHERN LATEX LIMITED

B-11/W, SIPCOT INDUSTRIAL COMPLEX, GUMMIDIPOONDI, THIRUVALLUR DT -601 201

Profit and Loss account for the year ended 31st March, 2015

	Particulars	Note No.	For the year ended 31st March, 2015	For the year ended 31st March, 2014
			₹	₹
I	Revenue from operations	22	4,075,500	11,575,000
II	Other Income	23	4,240,000	693,310
III	Total Revenue (I + II)		8,315,500	12,268,310
IV	Expenses:			
	Cost of materials consumed	24	-	-
	Purchase of Stock-in- Trade	25	1,056,600	8,020,000
	Changes in inventories of finished goods, Work-in-progress and Stock-in-Trade	26	1,946,400	640,300
	Empolyee benefits expenses	27	437,078	191,630
	Finance costs	28	-	-
	Depreciation and amortization expense	29	2,687,340	904,386
	Other expenses	30	1,145,913	1,274,802
	Total expenses		7,273,331	11,031,118
V	Profit before exceptional and extraordinary items and tax (III - IV)		1,042,169	1,237,192
VI	Exceptional items		(342,747)	850,000
VII	Profit before extraordinary items and tax (V - VI)		1,384,916	387,192
VIII	Extraordinary Items		-	-
IX	Profit before tax (VII - VIII)		1,384,916	387,192
X	Tax expenses			
	(1) Current Tax		263,896	73,779
	(2) Deferred Tax			
XI	Profit (Loss) for the period from continuing operations (VII-VIII)		1,121,020	313,413
XII	Profit/(Loss) from discontinuing operations		-	-

XIII	Tax expenses of discontinuing operations	-	-
XIV	Profit/(Loss) from Discontinuing operations (after tax) (XII-XIII)	-	-
XV	Profit (Loss) for the period (XI+XIV)	1,121,020	313,413
XVI	Earning per equity share:		
	(1) Basic	0.15	0.04
	(2) Diluted	0.15	0.04

Significant accounting policies

The accompanying notes are an integral part of the financial statements
Interms of our report attached

For KANNAN AND ALAMELU

Chartered Accountants

Registration No. 009087S

**For SOUTHERN LATEX
LIMITED**

A K ALAMELU

Partner

Membership No. 206906

Chennai, Dated 30th May, 2015

Sd-
DIRECTOR

Sd-
DIRECTOR

M/S. SOUTHERN LATEX LIMITED

B-11/W, SIPCOT INDUSTRIAL COMPLEX,
GUMMIDIPOONDI, THIRUVALLUR DT -601 201

PART IV - STATEMENTS OF CASH FLOWS

	Particulars	For the year ended 31st March, 2015	For the year ended 31st March, 2014
		₹	₹
A.	<u>CASH FLOW FROM OPERATING ACTIVITIES:</u>		
	Profit before tax	1,384,916	387,192
	<i>Adjustment to reconcile profit before tax to cash generated by operating activities</i>		
	Depreciation and amortization expense	2,687,340	904,386
	Interest Income	(2,800,000)	-
	Rental Income	(1,440,000)	(420,000)
	Miscellaneous Expenditure	123,155	123,155
	(Profit) / Loss on sale of Assets	(342,747)	850,000
	Changes in workings capital		
	Inventories	1,946,400	640,300
	Trade Receivables	1,696,679	(778,000)
	Liabilities and Provisions	(428,861)	(627,661)
		2,826,882	1,079,372
	Income Taxes Paid	(455,779)	(42,000)
	Net Cash Generated from Operating Activities (A)	2,371,103	1,037,372
B.	<u>CASH FLOW FROM INVESTING ACTIVITIES:</u>		
	Sale of Fixed Assets	1,150,000	650,000
	Interest Received	2,800,000	-
	Rental Income	1,440,000	420,000
	Loans and Advances and Other Assets	(6,474,307)	(1,767,400)
	Rental Deposit	-	300,000
	Net cash used in Investing activities (B)	(1,084,307)	(397,400)
C.	<u>CASH FLOW FROM FINANCING ACTIVITIES :</u>		
	Net cash flow from Financing activities (C)	-	-
D.	<u>Net Increase in cash & cash equivalents (A+B+C)</u>	1,286,796	639,972
	Cash & Cash equivalents at the beginning of the period (See Note.2)	916,689	276,717
	Cash & Cash equivalents at the end of the period (See Note.1)	2,203,485	916,689
	Note - 1		

Cash in Hand	1,844,963	268,457
Balance with Schedule Bank	358,522	648,232
Deposits with Bank		-
Cash Flow at the end of the period	2,203,485	916,689
Note - 2		
Cash in Hand	268,457	160,697
Balance with Schedule Bank	648,232	116,020
Deposits with Bank		
Cash Flow at the beginning of the period	916,689	276,717

As Per our audit report of even Date

For KANNAN AND ALAMELU

Chartered Accountants

Registration No. 009087S

For SOUTHERN LATEX LIMITED

Sd-

A K ALAMELU

Sd-

DIRECTOR

Sd-

DIRECTOR

M/S. SOUTHERN LATEX LIMITED

B-11/W, SIPCOT INDUSTRIAL COMPLEX,
GUMMIDIPOONDI, THIRUVALLUR DT -601 201

Notes forming part of Financial Statements for the year 31st March, 2015

Note 1		As at 31st March, 2015	As at 31st March, 2014
	Share Capital		
	Equity Shares of Rs. 10/- each		
	-		
	<u>Authorised Shares Capital</u>		
	Number of shares Authorised	10,000,000	10,000,000
	Amount of Shares Authorised	100,000,000	100,000,000
	<u>Issued, Subscribed and fully paid up</u>		
	Number of Shares Issued, Subscribed and fully paid up	7,359,200	7,359,200
	Amount of shares issued, subscribed and fully paid up	73,592,000	73,592,000
	Total	73,592,000	73,592,000

- the number of shares issued, subscribed and fully paid, and subscribed but not fully paid; NIL

Reconciliation of the shares outstanding at the Beginning and at the end of the Reporting Period

Particulars	As at 31st March, 2015	As at 31st March, 2014
Equity shares with voting rights		
Opening Balance		
-Number of shares	7,359,200	7,359,200
-Amount	73,592,000	73,592,000
Issued during the year		
-Number of shares	-	-
-Amount	-	-
Closing Balance		
-Number of shares	7,359,200	7,359,200
-Amount	73,592,000	73,592,000

Terms and Rights attached to Equity Shares

- The company has only one class of equity shares having a par value of Rs. 10 per share. Each equity share holder is entitled to one vote per share.

- Shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company in aggregate; NIL

- Details of shareholders holding more than 5% shares in Company:

Equity shares of Rs.10/- each fully paid		31st March 2015	
Name	Nos.	% holding	
Mr.Sankarathanu Pillai Meganathan	956,242	12.99%	
M/s.Nortan Electricals Private Limited	1,205,000	16.37%	
Mr.S.Meganathan	500,000	6.79%	
M/s.Klassic Industries Private Limited	500,000	6.79%	
M/s.Thangam Meganathan	452,178	6.14%	
Equity shares of Rs.10/- each fully paid		31st March 2014	
Name	Nos.	% holding	
Mr.Sankarathanu Pillai Meganathan	934,580	12.70%	
M/s.Nortan Electricals Private Limited	1,205,000	16.37%	
Mr.S.Meganathan	500,000	6.79%	
M/s.Klassic Industries Private Limited	500,000	6.79%	
M/s.Thangam Meganathan	425,100	5.78%	

- Shares reserved for issue under options and contracts/commitments for the sale of shares/disinvestments, including the terms and amounts, - **NIL**
- for the period of five years immediately preceding the date as at which the Balance sheet is prepared:
 - a) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash - **NIL**
 - b) Aggregate number and class of shares allotted as fully paid up by way of bonus shares - **NIL**
 - c) Aggregate number and class of shares bought back - **NIL**
- Terms of any securities for Conversion - **Not Applicable**
- Unpaid calls and forfeited shares - **NIL**

Note 2	Reserves and Surplus	As at 31st March, 2015	As at 31st March, 2014
	Capital Reserves		
	Opening	2,036,500	2,036,500
	Add: Addition/Deletion	-	-
	Closing		

		2,036,500	2,036,500
General Reserve			
Opening		6,000,000	6,000,000
Add: Addition/Deletion		-	-
Closing		6,000,000	6,000,000
Surplus in Statement of Profit and loss			
Opening		(33,946,503)	(34,259,916)
Add: Addition/(Deletion)		1,121,020	313,413
Closing		(32,825,483)	(33,946,503)
	Total	(24,788,983)	(25,910,003)

Note		As at	As at
3	Long-Term-Borrowings	31st March, 2015	31st March, 2014
	Term Loan		
	From Other Parties		
	Unsecured - Vide Note 1	379,883	379,883
	Deposits		
	Unsecured - Vide Note 2	300,000	300,000
	Loans and advances from related parties		
	Unsecured - Vide Note 3	305,680	305,680
	Total	985,563	985,563

Note (i) *Interest free sales tax loan is yet to be paid*

Note (ii) *Deposit obtained against the letout property at Gummidipoondi*

Note (iii) *Interest free unsecured loan obtained from directors which is repayable on demand*

Note			
4	Deferred Tax Liabilities	NIL	NIL

Note			
5	Other Long Term Liabilities	NIL	NIL

Note			
6	Long Term Provisions	NIL	NIL

Note			
7	Short-Term-Borrowings	NIL	NIL

Note		As at	As at
8	Trade Payables	31st March, 2015	31st March, 2014
	Acceptances	493,000	901,071
	Other than Acceptance	-	-
	Total	493,000	901,071

Note		As at	As at
9	Other Current Liabilities	31st March, 2015	31st March, 2014
	Other payables	33,708	86,277
	Total	33,708	86,277
	Notes:		
	Other payables		
	Statutory remittances	-	48,633
	Others - General Expenses	33,708	37,644
		33,708	86,277

Note		As at	As at
10	Short Term Provisions	31st March, 2015	31st March, 2014

Note		NIL	NIL
12	Non-Current Investments		

Note		NIL	NIL
13	Deferred Tax Assets		

Note		As at	As at
14	Long Term Loans and Advances	31st March, 2015	31st March, 2014
	<u>Security deposits</u>		
	Secured considered good	-	-
	Unsecured, considered good	500,000	-
	Doubtful	-	-
		500,000	-
	Less: Provision for doubtful advances	-	-
	Total	500,000	-

Related Party Transaction

Particulars	2014-15	2013-14
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Directors*		
Other officers of the company*	-	-
Firm in which director is partner	-	-
Private Company in which director is a member	-	-
	-	-

* Either severally or jointly

Note 15	Other Non-Current Assests	NIL	NIL
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Note 16	Current Investments	NIL	NIL
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Note 17	Inventories	As at 31st March, 2015	As at 31st March, 2014
	a) Raw Materials	-	-
	b) Work-in-progress	-	-
	c) Finished goods	-	-
	d) Stock-in-Trade(in respect of goods acquired for trading)	875,900	2,822,300
	e) Stores and spares	-	-
	f) Loose Tools	-	-
	g) Others (specify nature)	-	-
	Total	875,900	2,822,300

Cost or Net Realisable value whichever is lower

Note 18	Trade Receivables	As at 31st March, 2015	As at 31st March, 2014
	Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
	Secured, considered good	-	-
	Unsecured, considered good	-	-
	Doubtful	-	-
		-	-
	Less: Provision for doubtful trade receivables	-	-

Other Trade receivables	-	-
Secured, considered good	-	-
Unsecured, considered good	1,763,992	3,460,671
Doubtful	-	-
	1,763,992	3,460,671
Less: Provision for doubtful trade receivables	-	-
	1,763,992	3,460,671
Total	1,763,992	3,460,671

Trade receivables stated above include debts due by:

Particulars	2014-15	2013-14
Directors*	-	-
Other officers of the company*	-	-
Firm in which director is partner	-	-
Private Company in which director is a member	-	-
	-	-

* Either severally or jointly

Note 19		As at 31st March, 2015	As at 31st March, 2014
	Cash and Cash Equivalents		
	(a) Cash on hand	1,844,963	268,457
	(b) Cheques, drafts on hand	-	-
	(c) Balances with banks		
	(i) In current accounts	358,522	648,232
	(ii) In EEFC accounts		-
	(iii) In deposit accounts		-
	(iv) In earmarked accounts		-
	(d) Others		-
	Total	2,203,485	916,689

Note 20	Short Term Loans and Advances	As at 31st March, 2015	As at 31st March, 2014
	Advance income tax	160,104	-
	Other loans and advances (unsecured, including advances to suppliers)	-	-
	Unsecured, considered good	33,297,827	29,843,520
	Doubtful	-	-
		33,297,827	29,843,520
	Less: provision for doubtful deposits	-	-
		33,297,827	29,843,520
	Total	33,457,931	29,843,520

Related Party Transaction

Particulars	2014-15	2013-14
Directors*	-	-
Other officers of the company*	-	-
Firm in which director is partner	-	-
Private Company in which director is a member	-	-
	-	-

* Either severally or jointly

Note 19	Other Current Assets	As at 31st March, 2015	As at 31st March, 2014
	Accruals		
	Interest accrued on investments	2,520,000	-
	Others		
	Others - preliminary and pre-operative expenses	325,853	449,008
	Total	2,845,853	449,008

Note 22	Revenue from Operations	For the year ended 31st March, 2015	For the year ended 31st March, 2014
	Sale of products	4,075,500	11,575,000

Sale of services	-	-
Other operating revenues	-	-
	4,075,500	11,575,000
<u>Less: Excise Duty</u>	-	-
Total	4,075,500	11,575,000
Note:		
<u>Traded goods</u>		
COIR	4,075,500	11,575,000
Total - Sale of products	4,075,500	11,575,000

Note 23		For the year ended 31st March, 2015	For the year ended 31st March, 2014
	Other Income		
	Interest income	2,800,000	-
	Dividend income:		
	Current investments	-	-
	Other investments	-	-
	Adjustments to the carrying amount of investments- reversal of reduction in the carrying amount of non- current investments	-	-
	Net gain on foreign currency transaction and translation	-	-
	Other non-operating income	1,440,000	693,310
	Total	4,240,000	693,310
	Notes,		
	<u>1. Interest income comprises:</u>		
	<i>Interest on loans & advances</i>	2,800,000	-
		2,800,000	-
	<u>1. Other non-operating income:</u>		
	<i>Rent Received</i>	1,440,000	420,000
	<i>Miscellaneous</i>	-	273,310
		1,440,000	693,310

Note 24		NIL	NIL
	Cost of Raw Material Consumed		

Note 25	Purchase of Stock-in-Trade	For the year ended 31st March, 2015	For the year ended 31st March, 2014
	Purchase	1,056,600	8,020,000
	Less: Excise & Vat	-	-
		1,056,600	8,020,000
	Notes:		
	Purchase of Coir	1,056,600	8,020,000
		1,056,600	8,020,000

Note 26	Changes in Inventories of Finished goods, Work-in-Progress and Stock-in-Trade	For the year ended 31st March, 2015	For the year ended 31st March, 2014
	Inventories at the end of the year		
	Finished goods	-	-
	Work-in-process	-	-
	Stock-in-trade	875,900	2,822,300
		875,900	2,822,300
	Inventories at the beginning of the year		
	Finished goods	-	-
	Work-in-process	-	-
	Stock-in-trade	2,822,300	3,462,600
		2,822,300	3,462,600
	Net increase	1,946,400	640,300

Note 27	Employee Benefit Expenses	For the year ended 31st March, 2015	For the year ended 31st March, 2014
	Salaries and bonus	426,522	180,000
	Contribution to provident and other funds	-	-
	Staff welfare expenses	10,556	11,630
	Total	437,078	191,630

Note 28	Finance Cost	NIL	NIL
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Note 29	Depreciation and Amortisation	For the year ended 31st March, 2015	For the year ended 31st March, 2014
	Depreciation and amortisation for the year on tangible assets	2,687,340	904,386
	Amortisation of intangible assets	-	-
	Depreciation of investment property	-	-
	Total	2,687,340	904,386

Note 30	Other Expenses	For the year ended 31st March, 2015	For the year ended 31st March, 2014
	Wages	165,600	412,000
	Power and Fuel	30,910	228,000
	Transport Charges	12,500	35,520
	Office Maintenance	38,340	
	Repairs & Maintenance	1,230	2,885
	Advertisement Charges	45,462	31,860
	Professional /Consultancy Fees	73,118	34,000
	Audit Fees	33,708	30,000
	Bank Charges	621	4,949
	Listing and Share Transfer Expenses	275,996	113,882
	Postage & Couriers	155	155
	Directors Charges	120,000	120,000
	Rent	50,400	50,400
	Rate & Taxes	12,000	12,000
	Printing & Stationery	81,800	-
	Security Charges	65,000	66,000
	Telephone Expenses	6,918	-
	Travelling & Conveyance	9,000	9,996

Preliminary & Pre-operative expenses written off	123,155	123,155
	1,145,913	1,274,802

Note 30	Exceptional items	For the year ended 31st March, 2015	For the year ended 31st March, 2014
	(Profit)/Loss on Sale of Fixed Assets	(342,747)	850,000
		(342,747)	850,000

M/s. SOUTHERN LATEX LIMITED

B-11/W, SIPCOT INDUSTRIAL COMPLEX, GUMMIDIPOONDI, THIRUVALLUR DT -601201

**Notes 11 FIXED
ASSETS**

Tangible Assets	Gross block				Depreciation/amortion				Net Block	
	As at 1st April, 2014	Additions/ adjustments	Deductions/ adjustments	As at 31st March, 2015	As at 1st April, 2014	For the year	Deductions/ adjustments	Upto 31st March, 2015	As at 31st March, 2015	As at 31st March, 2014
Lease hold land	306,000	-	-	306,000	-	-	-	-	306,000	306,000
Free hold land	5,085,123	-	-	5,085,123	-	-	-	-	5,085,123	5,085,123
Factory Building	10,716,483	-	-	10,716,483	6,852,758	692,640	-	7,545,398	3,171,085	3,863,725
Plant and Machinery	16,145,059	-	16,145,059	-	13,581,177	1,756,629	15,337,806	-	-	2,563,882
Electrical Installation	1,436,851	-	-	1,436,851	1,436,016	835	-	1,436,851	0	835
office Equipment	86,320	-	-	86,320	61,274	20,730	-	82,004	4,316	25,046
Vehicle	151,626	-	-	151,626	151,626	-	-	151,626	-	-
Furniture & Fittings	732,535	-	-	732,535	644,839	51,069	-	695,908	36,627	87,696
Generators	1,297,506	-	-	1,297,506	1,067,460	165,171	-	1,232,631	64,875	230,046
Cycles	2,013	-	-	2,013	1,647	265	-	1,912	101	366
Computer & Accessories	33,460	-	-	33,460	33,460	-	-	33,460	-	-
Total	35,992,976	-	16,145,059	19,847,917	23,830,256	2,687,340	15,337,806	11,179,790	8,668,127	12,162,720

